

TRADE PRACTICES

Trade practices can be a very important consideration when contemplating a purchase in the graphics prepress industry. For example, a common trade practice of marketing departments when designing a product brochure is the lack of specifications that may not present the product on a footing favorable with the competition. It is always prudent to compare brochures with those of similar equipment to detect information that is lacking completely or does not describe fully what it is you are receiving. What is left unsaid is often more important than what was said. BWI posts product brochures on our website for items currently listed for sale plus we have a library of additional brochures available should you require something not posted to our website.

Some trade practices are almost universal and are generally presented upfront by the sales and marketing department to promote sales. Probably the most common, and articulated when circumstances dictate, is the practice of providing deep discounts on equipment purchases when a contract to purchase consumable products is made part of the purchase agreement.

Another common practice is to supply a plate processor with the rental payments being credited by a percentage of the consumable purchases or some similar arrangement.

Manufacturers have a practice of inflating the price of the processor that may or may not be available from sources other than from that manufacturer. Of course, this creates a further economic motivation to enter into a consumable contract with that manufacturer. It is always prudent to investigate the availability of an adaptable processor in the dealer market. Alternatives are often available from the manufacturers of the processor that has been simply rebadged by the manufacturer of the image recorder.

A more recent practice is to include a multiple year parts warranty with the purchase of a platesetter. This is a perk that can best be described by the adage – “all that glitters is not gold.” In other words, if all the facts are known, it becomes obvious that these parts must be installed by the manufacturer. A manufacturer offering this type of warranty will obviously not tolerate any service being performed outside of their service organization for fear of incompetent service persons creating the need for the part.

Trade practices vary widely when purchasing software products. Most proprietary software i.e. software that is specific to the manufacturers hardware, are often protected by imbedded codes that will only allow the application to function on their product and with their options or upgrades. Others will allow its use on competitive platesetters but require the purchase of a license to permit such adaptation. Obviously, these upgrades or options are sold at prices substantially greater than that charged by competitors who specialize in supplying alternative devices. A practice found most commonly, where larger workflow systems are marketed, is the licensing agreement. What this means is, that you are not purchasing their products – you are simply paying for the right to use that software so long as you alone are the user. Some developers have a re-licensing policy which will allow transfer to another user upon payment of a relicensing fee. The most common practice is to deny any legal right to use the software outside of the original licensee. Generally these terms can only be discovered if all of the fine print contained in the licensing agreement is read and understood.

All software issued in conjunction with imaging devices is protected by what is commonly referred to as a “dongle,” however the purpose of this protective device is to prevent the proliferation of the software by simply making a copy. These protective devices have no effect upon the ownership rights of the purchaser.

This dongle concept has been adopted by at least one platesetter manufacturer to restrict access to the electronics of their platesetter. Apparently its intended to prevent service being performed on the equipment by anybody not possessing the dongle to access the system. This not only restricts service being purchased from competitive suppliers, but it obviously affects the resale value of your purchase. Trade-in to anybody but the manufacturer will be improbable since the equipment can only be reconditioned by a technician in possession of the dongle. This dongle is only possessed by factory authorized (their) service technicians. Of course their service technicians are prevented from providing service to remarketers of their equipment (or at least this remarketer.) Further to prevent any misuse of a dongle, the access code is changed periodically to make unauthorized dongles inoperative.

Another by-product of this dongle control mechanism is to place the manufacturer on immediate notice that plates, other than the plates currently in use, (theirs) are being replaced by a competitive product. Any change of this nature requires the services of their technician to access the electronics to adapt the platesetter to the plates of another manufacturer. This movement in the industry is tantamount to the software licensing agreement mentioned earlier. Basically you do not own the equipment the manufacturer owns you.